

but it is nothing new in the history of Bank of America. Consumers across America and the customers of Bank of America are rightfully outraged. It is hard to believe a bank would impose such a fee on loyal customers who simply are trying to access their own money on deposit at Bank of America, especially when Bank of America, for years, has been encouraging their customers to use debit cards as much as possible.

It is particularly hard to believe this fee would come from a bank with a track record such as Bank of America's. After helping to drive our economy off the cliff's edge in 2008, Bank of America was happy to accept a \$45 billion Federal bailout for their stupidity, their greed, and their mistakes. It was just as happy to take that money and hand out \$3.3 billion in employee bonuses in the same year—2008. Don't forget the track record of Bank of America when it comes to handling mortgages. They picked up this company—Countrywide—which had issued mortgages all across America that were going bad. The record of Bank of America, when it comes to processing these same mortgages, is equally disappointing. When it is not losing paperwork or refusing to answer the phone, Bank of America is foreclosing on American families right and left.

But at least this time Bank of America is being open about the new charge to its loyal customers. In contrast to the overdraft fees, research fees, swipe fees, and other hidden fees they have charged, this time Bank of America is being up front about sticking it to its own customers. Transparency is a good thing. It allows customers, as I said, to vote with their feet. Not every bank treats its customers like Bank of America, and consumers can decide whether Bank of America's values reflect their own.

Bank of America is the largest bank in terms of assets in the United States. Now it is crying poverty, saying it is forced to hit their debit cardholders with this new monthly fee because Congress passed swipe fee reform. I don't buy it. Here is the reality: Bank of America and banks in general are still making billions of dollars with this new reform in the law of credit and debit card swipe fees. Swipe fees are an estimated \$50 billion per year money maker for the banking industry—\$50 billion. Bank of America alone makes billions from swipe fees each year. But Bank of America didn't earn those fees by competition. Instead, Bank of America receives these billions because Visa and MasterCard, this duopoly that runs the credit card business in America, basically fixed these prices and retailers and consumers have no voice in the process. This price-fixing has immunized the swipe fee revenue stream from competition. Now that Bank of America is out in the open with this overcharge of their own customers, it is time for real competition to step in. The Federal Reserve

found it cost the bank, on average, 7 cents to conduct a debit transaction—a signature transaction. It costs a lot less, I am sure, for Bank of America, with its economies of scale. But the Fed also found Bank of America was getting an average of 44 cents, instead of 7 cents. They simply can't make that type of enormous profit margin—nearly 600 percent—in a transparent and competitive market. In a free and fair market, these profits would be competed down to a reasonable level. Without competition, credit card companies—these banks such as Bank of America—will continue to win, and consumers and retailers—and, of course, now the Bank of America's own customers—will lose.

Today, I have written a letter to the CEO of Bank of America. His name is Brian Moynihan. I told him it wasn't just me alone but others have done a little calculation on his \$5 monthly fee. Do you know what we found out? When they thought the swipe fee was going to be limited to 12 cents, Bank of America said: That will cost us \$2 billion a year. Turns out the Federal Reserve said: No, it will be 24 cents. So by our estimates, this new reform of the swipe fee may cost—may cost—Bank of America \$1 billion a year in revenue. Guess what. If we do the calculation of \$5 a month on the number of reported debit cardholders at Bank of America, they will bring back twice as much as their projected loss on this new law. They are overcharging their own customers, once again, twice as much as they should if they just want to cover the hidden fees they had in the past.

That is unfair to consumers, it is unfair to the customers, and it is unfair to do it in this tough economy, when a lot of Bank of America's customers across America are struggling to get by. What I am basically calling on Mr. Moynihan to do is to justify this \$5 monthly fee based on their projected debit card transaction losses and the number of people they have holding debit cards by their company.

I didn't come up with this alone. A gentleman by the name of Lazarus, who is a business reporter in California, was the first one who called it to my attention on the "Lehrer Report" on Friday night. We have looked into it further, and it is clear, again—that Bank of America is overcharging its own customers. I can tell you it isn't the first time. Most people are aware of the fact Bank of America was sued for overcharging for various fees, such as overdraft fees, in the past. Because of that suit and the possibility of losing it, they entered into a settlement to pay over \$400 million for overcharging their own customers. They are doing it again. Bank of America, with this monthly fee, is overcharging its customers again by any reasonable standard for a loss of revenue based on this new law.

The last point I wish to make is this—because I see some on the floor, including a Senator or two who may

have a different point of view. When I was back in Illinois, I stood with the retailers, and I hope the retailers of Tennessee and Utah will be in touch with my colleagues and let us hear their side of the story. They have been victimized by these banks and credit card companies for too long. What we do with this law is establish a reasonable standard of compensation and now some disclosure about what is being charged for transactions.

I wish to help small businesses—and large retailers too, for that matter—across America. Their profitability, the success of their business, means more Americans go to work. If a Senator wishes to stand on the floor of the Senate and defend the Wall Street banks, such as Bank of America, and the credit card companies, be my guest. I would rather stand with the consumers and retailers that have been taken to the cleaners for years and years by these swipe fees.

The latest outrage by the Bank of America is a reminder that when it comes to valuing customers, those banks that don't gouge those customers, that don't overcharge for debt fees, are the ones that deserve America's business.

Mr. President, I yield the floor.

The ACTING PRESIDENT *pro tempore*. The Senator from Tennessee.

CURRENCY EXCHANGE RATE OVERSIGHT REFORM ACT

Mr. CORKER. Mr. President, I actually am here to speak on another topic, but I was glad to hear the comments of the Senator from Illinois. I will say in general that I think consumers across our country are beginning to see the first of many consequences of Dodd-Frank. Sometimes I think my friends on the other side of the aisle believe money comes from air. But the fact is when you price fix something such as the Senate did through Dodd-Frank, when you price fix something like this, obviously it is going to have the consequences that have been laid out and, unfortunately, consumers across our country are going to be paying the price. It is interesting that most of the major retailers my friend was alluding to are all talking about the profits, the benefits they are going to have from this. At the end of the day it is the consumers who are going to be paying the price, and we are already seeing that play out. While Bank of America—I am not here to defend them. This is just the first of many charges and lack of credit that is going to be part of our American society as a result of Dodd-Frank.

But let me say, I came down today to talk about a bill we are getting ready to debate I understand this afternoon at 5:30. It is the Currency Exchange Rate Oversight Reform Act of 2011. I probably won't recite that again, but that is the bill we are going to be having a cloture vote on tonight at 5:30.

I understand how people across this country are very frustrated about our

economic situation. I am very frustrated. I am frustrated for the people of Tennessee and the fact that our economy is not showing the kind of growth we would all wish to see. I understand how politicians like to respond to things back home by making it look as if they are doing something to benefit the folks back home during this tough economy. I plan to speak at length on this throughout the week that this bill is being debated.

The bill that is going to be on the floor tonight is not the answer. I think most of you know that tonight we are going to begin debating a bill that would call China, in essence, a currency manipulator. And, by the way, they are a currency manipulator and I will agree to that. But the response that this bill wants to put in place is to put tariffs on Chinese imports, and what I believe will happen is it will begin a trade war.

What I wish to say is this is the U.S. Senate. I understand that sometimes a hot bill will make it out of the House for lots of reasons, due to its makeup. I understand that a lot of times a bill such as this comes forth for messaging. What I would say is we are actually playing with fire here. This is something that is originating in the Senate. It is a place where typically things are to cool and we are to think through things.

I am hopeful we will have a vigorous debate on this, and many amendments, because my concern is that at a time in our country when we have had a financial crisis which has led to the type of economy we have here where we wish to see many people in our country have greater and more full employment, at a time when we come off high energy prices a few years ago that sucked a lot of life out of this economy, at a time when the global economy is slowing much due to the financial crisis that is occurring right now in Europe, I think the response we want to put forth is not to create a trade war with China.

I think most of us know China has been a currency manipulator. They have a managed float for their currency. We wish to see that rise much more quickly than it has. It has risen about 30 percent in the last several years.

So the point is they are making changes. China has an antiquated financial system that has to be changed; it has to be liberated; it has to become more like what we have in this country. And those steps are happening. There is no doubt that importers—there is no doubt that the goods that come here from China come here at a lesser price than they otherwise would because of the currency float they put in place in China. I understand that. But that is changing. And the fact is that with a country of 1.3 billion and as their standard of living continues to grow, we have an opportunity to have even more trade with this country. Our exports to China have grown sixfold over the most recent time.

So here we have an opportunity in this Chamber very soon to take up the three free-trade agreements with South Korea, Panama, and Colombia, trade agreements we have wanted to have in place for a long time. Here we are, the Senate, a body that is supposed to act with cooler heads. And I understand the pressures back home. I have them too. Our State has tremendously high unemployment, much higher unemployment than I wish to see happen. I know when I go to townhall meetings, people talk about China, and I understand that. But I think people may be misreading what is in this bill. I think a lot of people think this bill is sort of a plaything because it actually gives the President a chance to waive tariffs on goods that happen to come here cheaper because of currency manipulation. But that is not the case. That is not what this bill says. A lot of people have misunderstood what this bill says. They think it is sort of a plaything and the President can make it all right. The President, if you will, can be the adult and not create a trade war. But that is not what the bill says. The bill says this country has to put in place tariffs on goods coming into this country, as long as they are not being dumped into this country. If they come in at a competitive advantage, we have to put in place tariffs.

Is this what the Senate wants to do today? We have had a tremendous financial crisis. We have high unemployment in this country. We are tremendously overregulated. We are not doing the things within our own country we should be doing, that many of us have been arguing, to cause our economy to grow. We have a financial crisis that is taking hold and taking root and actually moving in parts to this country and hurting us. The markets are down.

So the Senate, a body of 100 people who are elected for 6-year terms, wants to put in place tariffs on a major growing country that we have growing exports to, and create a trade war—a trade war between the two largest economies in the world? That is our response, instead of understanding the best thing we can do for this country right now is to deal with those long-term solutions in our own country and ask this deficit reduction committee to go big, to get \$3 trillion, to do tax reform, to do entitlement reform. These are the kinds of things we ought to be doing in this country: passing a 6-year highway bill; producing American energy; reducing regulations that are impeding our economy and not helping the country. Those are the kinds of things we ought to do. That is the response from the Senate, from people with 6-year terms who were elected to be the cooling of legislation, not to originate bills out of this body that we know, if passed, will likely create a trade war.

It is as though this country has lost its ability to see the fact that we are an exceptional country. It is as though we are cowering down now. It is as

though we know what to do but we won't do it, and, instead, now we have got to find a bogeyman.

Do I like what China is doing with their currency? No. But is it changing? Yes. Is our country putting pressure on China to change? Yes. Is it occurring? Yes. It is going to have to. The middle class in China is going to want access to the kinds of goods our country produces. It is naturally happening. So why would we as a country tinker at this time of a global slowdown with creating a trade war?

I understand and I know many of the Senators in this room hear the same things back home I hear back home. But the last thing we need to do at this point in world history, at this point with the global economy as it is today, is repeat the same mistakes that happened back in the 1930s with Smoot-Hawley. That is exactly the path we are going down. It is as if we don't learn from history. I urge all Senators to think about this.

I understand we are probably going to move to this bill tonight. I do hope we have a vigorous debate. I hope we change this bill dramatically, if not kill it. But I think Senators need to understand, in my opinion, we are playing with fire. This is not the right thing for us to do. We need to be focusing on how we make this great Nation, the greatest Nation of all times, grow. We can do that by dealing with our own issues here internally. We know how to do it, and we can do this by courageously dealing with the long-term issues that confront this country. That will be the short-term stimulus this economy needs.

Mr. President, I yield the floor, and I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SCHUMER. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SCHUMER. Mr. President, I ask we move from morning business to the pending legislation.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

CURRENCY EXCHANGE RATE OVERSIGHT REFORM ACT OF 2011—MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 1619, which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to the consideration of S. 1619, a bill to provide for identification of